

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 28

To require that the Federal Government procure from the private sector the goods and services necessary for the operations and management of certain Government agencies, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 1995

Mr. DUNCAN introduced the following bill; which was referred to the  
Committee on Government Reform and Oversight

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## A BILL

To require that the Federal Government procure from the private sector the goods and services necessary for the operations and management of certain Government agencies, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Freedom from Govern-  
5       ment Competition Act of 1995”.

6       **SEC. 2. FINDINGS.**

7       The Congress finds and declares that—

1           (1) private sector business concerns, which are  
2           free to respond to the private or public demands of  
3           the marketplace, constitute the strength of the  
4           American economic system;

5           (2) competitive private enterprises are the most  
6           productive, efficient, and effective sources of goods  
7           and services;

8           (3) Government competition with the private  
9           sector of the economy is detrimental to the American  
10          economic system;

11          (4) Government competition with the private  
12          sector of the economy is at an unacceptably high  
13          level, both in scope and in dollar volume;

14          (5) current law and policy have failed to ad-  
15          dress adequately the problem of Government com-  
16          petition with the private sector of the economy; and

17          (6) it is in the public interest that the Govern-  
18          ment establish a consistent policy to rely on the pri-  
19          vate sector of the economy to provide goods and  
20          services necessary for or beneficial to the operation  
21          and management of Government agencies and to  
22          avoid Government competition with the private sec-  
23          tor of the economy.

24   **SEC. 3. DEFINITIONS.**

25          As used in this Act the term “agency” means—

1           (1) an executive department as defined by sec-  
2           tion 101 of title 5, United States Code;

3           (2) a military department as defined by section  
4           102 of such title; and

5           (3) an independent establishment as defined by  
6           section 104(l) of such title.

7   **SEC. 4. PROCUREMENT FROM PRIVATE SOURCES.**

8           (a) GENERAL RULE.—Notwithstanding any other  
9           provision of law, each agency shall obtain all goods and  
10          services necessary for or beneficial to the accomplishment  
11          of its authorized functions by procurement from private  
12          sources unless—

13           (1) the goods or services are required by law to  
14           be produced or performed, respectively, by the agen-  
15           cy; or

16           (2) the head of the agency determines and cer-  
17           tifies to the Congress in accordance with regulations  
18           promulgated by the Director of the Office of Man-  
19           agement and Budget that—

20           (A) Government production, manufacture,  
21           or provision of a good or service is necessary for  
22           the national defense;

23           (B) a good or service is so inherently gov-  
24           ernmental in nature that it is in the public in-

1           terest to require production or performance, re-  
2           spectively, by a Government employee; or

3           (C) there is no private source capable of  
4           providing the good or service.

5       (b) REGULATIONS.—The Director of the Office of  
6 Management and Budget shall promulgate such regula-  
7 tions as the Director considers necessary to carry out sub-  
8 section (a).

9 **SEC. 5. STUDY AND REPORT.**

10       The Director of the Office of Management and Budg-  
11 et, in conjunction with the Comptroller General of the  
12 United States, shall carry out a study to identify all cur-  
13 rent activities of agencies which are inconsistent with the  
14 requirements of section 5(a) and shall transmit to the  
15 Congress within one year after the date of enactment of  
16 this Act a report on such study. The report shall include  
17 a list of all activities identified under the preceding sen-  
18 tence and a schedule for the transfer of such activities to  
19 the private sector of the economy. The schedule included  
20 in the report shall provide for the completion of the trans-  
21 fer within 5 years after the date on which such report is  
22 transmitted to the Congress.

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